

DOCKET NO. 2001-148-E - ORDER NO. 2001-389

The Company's Application asserts that the proposed issuance of the bonds is intended to "partially satisfy said 'sinking fund requirement' and minimize the

expenditure of cash, thereby conserving the Applicant's cash for use in connection with its construction program....” The principal amount of the bonds proposed to be issued will be deposited with the Trustee and will not be sold. As a consequence, no consideration will be received by the Company other than the preservation of its cash for its construction program.

Upon full investigation and review of the Company's Application and the assertions therein, the Commission is of the opinion, and so finds, that the purpose of the proposed issuance is proper and that the amount of the issue is reasonably necessary to accomplish the purpose for which the issuance is to be made. Consequently, the Commission finds that the relief sought in the Company's Application should be granted.

IT IS THEREFORE ORDERED:

1. That the South Carolina Electric & Gas Company (successor corporation to the South Carolina Power Company), be, and hereby is, authorized to issue an additional \$23,465,000 principal amount of First and Refunding Mortgage Bonds, 0% Series due December 31, 2098, to be dated the date of authentication thereof, to mature December 31, 2098, and to bear no interest; that further, such bonds are to be issued under and pursuant to the terms of the Indenture of South Carolina Power Company (predecessor corporation of South Carolina Electric & Gas Company), dated as of January 1, 1945, as amended and supplemented by fifty-three supplemental indentures, and are to be redeemable as specified in the Fifty-third Supplemental Indenture to the Indenture;

2. That the Company is authorized to deposit said \$23,465,000 principal amount of bonds with The Chase Manhattan Bank, Trustee, to satisfy, in part, the "sinking fund requirement," which becomes due on June 1, 2001, under the sinking fund provided for in said Indenture, which bonds shall thereupon be canceled by said Trustee pursuant to the terms of the Indenture;

3. That this Order shall not in any way affect or limit the right, duty or jurisdiction of the Commission to further investigate and order revisions, modifications or changes with respect to any provision of this Order in accordance with the law, nor shall this Order dictate the ratemaking treatment of this transaction by the Commission; and

4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)